

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JINGLE KIDS USA, LLC; JINGLE)	CASE NO.
KIDS PRODUCTION LLC; JINGLE)	
KIDS IP LLC; ORWO STUDIOS)	COMPLAINT FOR USURY AND
LLC; PVS STUDIOS LLC,)	DECLARATORY RELIEF
)	
Plaintiffs,)	
)	
v.)	
)	
IN COLOUR CAPITAL INC.,)	
)	
Defendants)	
)	
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)	

Plaintiffs JINGLE KIDS USA, LLC; JINGLE KIDS PRODUCTION LLC; JINGLE KIDS IP LLC; ORWO STUDIOS LLC; and PVS STUDIOS LLC (collectively, Jingle Kids) complain against Defendant IN COLOUR CAPITAL INC. (Colour Capital) and allege as follows:

PARTIES

1. Plaintiff JINGLE KIDS USA, LLC is a limited liability company formed pursuant to the laws of the State of Louisiana with offices at 9549 Highway 421, St. Francisville, LA 70775.
2. Plaintiff JINGLE KIDS PRODUCTION, LLC is a limited liability company formed pursuant to the laws of the State of Louisiana with offices at 9549 Highway 421, St. Francisville, LA 70775.

3. Plaintiff JINGLE KIDS IP LLC is a limited liability company formed pursuant to the laws of the State of Louisiana with offices at 9549 Highway 421, St. Francisville, LA 70775.

4. Plaintiff ORWO STUDIOS, LLC is a limited liability company formed pursuant to the laws of the State of Louisiana with offices at 9549 Highway 421, St. Francisville, LA 70775.

5. Plaintiff PVS STUDIOS, LLC is a limited liability company formed pursuant to the laws of the State of Louisiana with offices at 9549 Highway 421, St. Francisville, LA 70775.

6. IN COLOUR CAPITAL INC., the Defendant, is a Canadian corporation formed pursuant to the law of the Province of Ontario.

JURISDICTION AND VENUE

7. Action is commenced upon and pertaining to an agreement structured for venue and choice of law in New York, as entered among all the parties (“the Agreement”), and whereby this court has jurisdiction under 28 U.S.C. § 1332(d)(2); there is a complete diversity of citizenship between the parties and the amount in controversy, exclusive of interest and costs, exceeds \$75,000.

8. Venue lies in this District, as provided by the Agreement which states it is to be “governed by the laws of the State of New York ... including matters of construction, validity and performance ...,” and further provides that the parties irrevocably and unconditionally submit to the jurisdiction of “United States Federal Court located in the Southern District of New York” so that “all claims in respect of any such action or proceeding may be heard and determined in such Court.”

EVENTS

9. The Agreement was entered into on May 7, 2021, and thereby Colour Capital provided Jingle Kids “a bridge loan in the principal amount of US \$500,000” to finance a television series, with a maturity date set at June 10, 2021.

10. Colour Capital charged Jingle Kids for the loan “an amount equal to 10%” of the \$500,000.00 advanced for the first month and “increase by 2.5% for each week thereafter the Loan is not...paid in full”. By Defendants own current calculation of the above interest charged and expenses, for the period from May 7, 2021, to the time of this complaint, along with the remaining balance of the \$500,000.00 loan after receiving a \$200,000.00 partial repayment, Colour Capital has demanded the total sum of \$2,033,875.00.

11. This demand having been made for interest charges and principal, Jingle Kids hereby defends against the demand by interposing New York Penal Law Section 190.40 which makes an interest charge of more than 25% per annum a criminal offense. New York Limited Liability Company Law §1104 (c) provides that a limited liability company may interpose the criminal usury statute as a defense to the demand of Colour Capital.

12. An actual controversy now exists concerning the respective accounting and obligation of Plaintiffs, including declaration of whether the transaction is usurious by its substance or “Real Character,” and determination for what amount, if any, is due and payable to Defendant.

DAMAGE

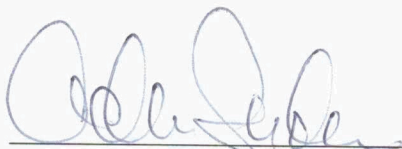
13. When on July 27, 2021 Jingle Kids paid Colour Capital, a \$200,000 repayment, Jingle Kids had no obligation to make payment of any principal or interest payment, for by the

laws of New York both principal interest were void, but once paid may not be returned, so Plaintiffs thereby suffered actual damage. Colour Capital continues to demand \$2,033,875.00, and thereby for Plaintiffs to suffer further damage.

WHEREFORE, Plaintiffs pray for:

- (a) Declaratory relief, including declaration that the subject transaction was and is usurious, an accounting of any principal payment and/or interest is due Defendants and in what amount including withholding for United States taxes under tax treaty of US and Canada;
- (b) Judgment declaring the rights and obligations of the parties;
- (c) An award of costs of suit; and
- (d) For such other and further relief as the Court deems just and proper.

DATED: August 17, 2022



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